



## 2013 Open Enrollment & Health Benefits Frequently Asked Questions

### Open Enrollment

What is Open Enrollment?

Open Enrollment is the one time each year when employees can make changes to their health benefits without having a qualifying life event. This is the opportunity for employees to add or remove dependents, as well as select a different health plan. Employees can also establish or re-establish a Flexible Spending Account (FSA). Open enrollment concludes on November 14, 2012.

How do I enroll?

You can enroll online by logging into the Employee Self Service system at [sanantonio.gov/easi](http://sanantonio.gov/easi). You will be asked to enter a user ID and password. If this is your first time accessing the Employee Self Service portal, follow the on-screen instructions to create your default password and complete your enrollment.

What are my health care plan options?

You have four plans options to consider for 2013 – Value, Standard, Premier, and the new Consumer Choice plan.

What should you consider when selecting a plan?

Some things you can consider when selecting a plan include the regular and anticipated medical needs of you and your dependents and you and your dependents' use of prescription medications. You can also consider whether or not you usually meet your deductible. Utilizing the Health Plan Cost Estimator at [pcestimator.com](http://pcestimator.com) is a good tool to help you select the plan that is right for you and your family.

Are there any tools available to help me understand all my benefits and select a plan?

Yes, there are several tools and resources you can access:

- 2013 Benefit Matters benefits guide – available for viewing and printing at [http://www.sanantonio.gov/hr/employee\\_information/benefits/benefits\\_civ.asp](http://www.sanantonio.gov/hr/employee_information/benefits/benefits_civ.asp)
- Benefits Information Video Library – featuring eight informative overviews, [http://www.sanantonio.gov/hr/employee\\_information/benefits/index.asp](http://www.sanantonio.gov/hr/employee_information/benefits/index.asp)
- Health Plan Cost Estimator – allows you to input your own health information and will compare all four plan options for you, [www.pcestimator.com](http://www.pcestimator.com) (username: SanAntonio2013 and password: benefits)



The video often references “networks.” Are they different for the Consumer Choice CDHC Plan versus the PPO plans?

No. The City contracts with UnitedHealthcare for network utilization for all plans. Those enrolled in Consumer Choice will have access to the same network of health care providers as those enrolled in the Value, Standard, and Premier plans.

Where do you find in-network providers?

You can find in-network providers at [myuhc.com](http://myuhc.com), or call UnitedHealthcare customer service at 800-996-2078.

## Consumer Choice (Consumer-Driven Health Plan)

What is the Consumer Choice Plan?

The Consumer Choice plan is the type of plan that allows you to have more control over how your health care dollars are spent. It includes a higher deductible and a Health Savings Account. It is similar to the Value, Standard, and Premier plans in that it includes co-insurance, deductibles, in-network preventive screenings at 100%, and the freedom to select your health care providers from a nationwide network without prior authorization from a primary care physician. It differs from the other three plans in that, it does not feature co-pays, you are responsible for 100% of the cost of your health care services until you meet your deductible. You can read more about Consumer Choice on page 5 of the 2013 Benefit Matters benefits guide.

Which of the four health care plan options offer the lowest deductible?

If you take into consideration the amount the City will contribute to a Health Savings Account for those who choose the Consumer Choice plan, the Consumer Choice plan offers the lowest deductible.

Do I have to switch doctors if I choose the Consumer Choice plan?

No, as long as your provider is within the network, you can keep your current doctor. You can also use a provider outside the network, but it is likely you will pay more as UnitedHealthcare has not negotiated their rates.

Can you have gap insurance with the Consumer Choice plan?

You may not have another non-high deductible health plan; however, you may purchase income replacement plans, such as long-term disability insurance.

How are the benefits paid with Consumer Choice?

You should pay your portion based upon your explanation of benefits following adjudication by the insurance company.



Can my dependents have other coverage if I have the Consumer Choice plan?

Yes.

Who determines how much you contribute to an HSA?

The Internal Revenue Service (IRS) regulates the maximum allowable contribution to the HSA.

Can you use the VA if you have Consumer Choice?

No.

Explain what “equalizing the cost between the Standard and Premier plans” means.

The City will subsidize the cost for the Premier Plan at the same amount as the Standard Plan. The effect is that members electing the Premier Plan will pay more in premiums, but lower co-payments and deductibles.

Do you still get the discounted rate for doctor visits with the Consumer Choice plans as you do with the Value, Standard, and Premier plans?

Yes, any fees you pay for medical services will be at the discounted rate that has been negotiated by UnitedHealthcare.

Are the dental and vision benefits the same for those enrolled in the Consumer Choice plan as in the Value, Standard, and Premier plans?

Yes, regardless of which medical plan you choose, you have the same options for both dental and vision.

How do prescriptions work with Consumer Choice?

There are no co-pays in the Consumer Choice plan, so you will pay 100% of the cost of your medications until you meet your deductible. However, for IRS-approved maintenance medications used to control conditions such as diabetes, high cholesterol, and high blood pressure, you only pay 20% of the cost, as these are not subject to the deductible.

## Health Savings Accounts (HSA)

What is a Health Savings Account (HSA)?

An HSA is a type of bank account that allows you to pay for current health care expenses and save for your future health care needs.

When will the funds in my Health Savings Account be available to use?

The funds that the City contributes to your Health Savings Account (\$500 for an individual and \$1,000 for a family) will be available on the first payday in January. The funds that you



contribute through bi-weekly payroll deductions will be available as they are deposited. Remember, you can only spend what is in your account.

Can I reimburse myself once I have the money in my account?

Yes.

Can you have both an HSA and a Flexible Spending Account (FSA)?

No, you may only use one or the other at one time.

Can I switch between an HSA and FSA if I change plans?

Yes, if you select the Consumer Choice plan this year, you may use your HSA. Next year, if you select a plan that is not a high-deductible health plan, you may use an FSA. However, you cannot roll your HSA funds into your FSA and vice versa, and you cannot use funds from both your FSA and your HSA to pay for the same health care expense.

Example:

Jane Cosa enrolls in the Consumer Choice health care plan in 2013 and has an HSA. In 2014, she decides to enroll in the Standard health care plan. Jane still has \$2,000 left in her HSA from 2013. What can Jane do?

- Jane can use the \$2,000 in her HSA to help pay for her health care expenses. However, since she is no longer enrolled in Consumer Choice, she cannot make any new contributions to her HSA.
- Jane can open an FSA to help pay for her health care expenses. The 2013 limit for an FSA is \$2,500.

Can HSA dollars be used for those not on my plan, but for health care related expenses?

Yes, any of your tax dependents can use the HSA for eligible expenses. However, you may only fund your HSA to your level of enrollment in the Consumer Choice health plan. For example, if you enroll in the employee only level of coverage, the maximum amount that can be contributed to your HSA is \$3,250.

What happens to the funds in my HSA if I switch plans next year?

The funds you accumulate in your HSA will always be yours, even if you switch plans.

What happens if I use HSA dollars for non-health care-related expenses?

Any HSA funds used for non-health care-related expenses will be subject to income tax and a 20% penalty.

What happens if I am 65? Can I use the HSA dollars for non-health care-related expenses?

Yes, but you will still be required to pay income tax on those dollars; however, you will not have to pay the 20% penalty.



Can I keep using my HSA money if I change plans?

Yes, the funds in your HSA account can be used to pay your out-of-pocket health care expenses. However, if you enroll in an FSA when you change plans, you cannot use funds from your HSA and your FSA to pay for the same health care expense.

Does my HSA accrue interest? If so, how much?

Your HSA will accrue interest based upon established rules with OptumHealth Bank, which will serve as the bank for your HSA.

Does an HSA ever expire?

An account balance in excess of zero will remain indefinitely. Your account will be automatically closed if the account balance is zero for a minimum of six months.

How do you terminate an HSA?

Since the HSA is a tax-advantaged bank account, you would need to contact OptumHealth Bank and request that the funds be transferred/rolled over to another HSA tax-advantaged account.

Can HSA monies be used to pay for COBRA rates?

Yes, you may use your HSA dollars to pay for COBRA premiums as a qualified expense.

What are the differences between an HSA and an FSA?

The primary differences between an HSA and an FSA are:

	Health Savings Account (HSA)	Flexible Spending Account (FSA)
Do the funds carry over from one year to the next?	Yes, funds will roll over from year to year.	No, funds do not roll over and must be used by the end of each calendar year or they will be lost.
Can you take your money with you if you leave the City?	Yes, the funds belong to you and can be taken with you when you leave the City.	No, the funds are not yours to keep once you leave the City.
If I establish a bi-weekly payroll deduction, can I use the full amount of my contribution?	No, you can only use the money that is actually in your account. On January 4, 2013, the only money you will be able to use is what the City has contributed (\$500 for an individual and \$1,000 for a family) and your first bi-weekly payroll deduction.	Yes, the full amount you contribute to your FSA will be available to you on January 1, 2013.



Can I participate in an HSA, if not enrolled in the Consumer Choice Plan?

No, IRS regulations state that you are only eligible to open and fund an HSA if you are currently enrolled in a qualified high deductible health plan, which is the Consumer Choice Plan.

If you are a COSA employee and your spouse/domestic partner is also a COSA employee, can one of you have an HSA and the other have an FSA?

The IRS does not permit an employee and spouse to have an HSA and a health care FSA simultaneously. Domestic partners are not eligible for expense reimbursement as a dependent under an FSA or an HSA.

Can you have a day care FSA and an HSA?

Yes.

Does an HSA reduce your taxable income?

Yes, if the money is contributed via a payroll deduction, the deduction occurs to ordinary income tax withholding. If you contribute after-tax money to the account, you will still receive the tax savings as an above-the-line deduction on your tax return.

What if I have an existing HSA, can I roll that money over?

Yes. You must obtain and complete the rollover transfer form from your existing HSA bank.

Who decides the City's contribution to the HSAs?

The City makes this determination during the budget process.

How much can be contributed to an HSA each year?

For 2013, you can contribute up to \$3,250 for an individual and \$6,450 for a family. Remember this also includes the City's contribution.

What happens to your HSA money when you die?

If your spouse is your beneficiary, they are allowed to transfer the HSA to their name and continue to use the funds for qualified expenses, tax-free. If your beneficiary is someone other than a spouse, the account must be cashed out and will become taxable income to the beneficiary.

What is a catch-up provision?

After you reach age 55, you are allowed to make an additional \$1,000 over and above the annual contribution limit of \$3,250 for individual and \$6,450 for family for calendar year 2013.



What happens to my HSA if I leave the City?

The funds belong to you and you can take them with you when you leave the City.

If I leave the City tomorrow, would the funds in my HSA be considered income?

No, as long as the funds are used to pay for qualified health care expenses, they will not be considered income.

Are you responsible for HSA administrative fees if you leave the City?

Yes, any fees assessed by OptumHealth Bank are your responsibility once you leave the City.

What if you are still employed by the City, but switch from Consumer Choice to another plan, who pays the administrative fee?

The City will continue to pay the administrative fee.

What other fees are associated with an HSA?

OptumHealth Bank will provide additional schedule of fees upon opening of your account.

When you leave the City, can you roll over HSA dollars into a 401K plan or any other retirement account?

No.

Can you roll over FSA dollars to an HSA?

No, effective January 1, 2012, the IRS no longer allows FSA to HSA rollovers.

Can you change your HSA contributions throughout the year?

Yes, just obtain the form from the HR Employee Benefits Division.

Can your spouse contribute to your HSA?

Yes, an after-tax contribution can be submitted directly to OptumHealth Bank.

Can the HSA be used for family members that participate in the Flexible Spending Account?

No, IRS regulations state that families are limited to either an HSA or a medical FSA. You and or your family may participate in a dependent care spending account.

Will an OptumHealth Bank representative be at the Open Enrollment Fairs?

Yes, a representative of OptumHealth Bank is scheduled to be present at the Open Enrollment Fairs.

If I have Medicare can I participate in an HSA?

If you have Medicare or any other non-high deductible health plan, you may participate in the Consumer Choice option, but you may not open or fund an HSA account.



Can I contribute each year to my HSA even if I have the maximum allowed in my account?  
The account itself does not have a maximum, only the amount you can contribute each year has a limit. Each year you may contribute the maximum the IRS allows.

Can an employee and their spouse/domestic partner have separate HSA accounts?  
If an employee and spouse/domestic partner work for the same employer, each may set up an individual account, but will be limited to an annual contribution of \$6,450, cumulatively. If one member sets up a family plan, the spouse/domestic partner may not set up a separate HSA unless he/she is age 55 and above, and wishes to contribute catch-up contributions of \$1000.

Are there advisors available to assist employees with investing their funds?  
Through OptumHealth Bank's website, investment materials are made available to members whose accounts reach \$2,000 and above.

Is there a fee to invest?  
Yes, there is a \$3 monthly investment fee charged when the member has reached the \$2,000 threshold and chooses to invest in mutual funds.

## Flexible Spending Account (FSA)

Is the City going to help fund Flexible Spending Accounts?  
No, FSAs are completely funded by the employee through bi-weekly payroll deductions and participation in the Employee Wellness Program.

Will FSAs still be available in 2013?  
Yes, if you select the Value, Standard, or Premier plan, you will have the option of continuing or establishing an FSA.

Does an FSA reduce your taxable income?  
Yes, the deduction occurs prior to ordinary income tax withholding.

How much does the City contribute to an FSA/HSA for wellness?  
In calendar year 2013, the City will contribute \$100 each for the employee and/or spouse/domestic partner for completion of the Health Risk Assessment. The City will also contribute a maximum of \$500 for employees who participate in the Virgin HealthMiles program.





## Day (Dependent) Care Spending Accounts

Does a parent need partial or full custody of their child(ren) to qualify to utilize a Day (Dependent) Care FSA?

No, but the care must be provided for one or more qualifying dependents identified on the form you use to claim the credit.

## Employee Wellness Program

What is the Virgin HealthMiles program and how does it work?

New for 2013, full-time civilian employees will have the opportunity to participate in the Virgin HealthMiles Program. This program replaces the Fitness Center Reimbursement Program. With the Virgin HealthMiles Program, employees can earn contributions, up to **\$500**, to their Flexible Spending/Health Savings Account in 2013 by remaining active throughout the year.

Contributions are based on **five (5) reward levels**. Everyone will start at Level 1. The more activities you complete and physical activity you incorporate into your daily routine, the more HealthMiles you earn. Physical activity is tracked through a pedometer that is linked to an online account. You have one year to reach Level 5 to earn the full \$500 contribution. Contributions are automatically added to your FSA/HSA once a new level is reached.

Will it replace the current Wellness and Fitness Reimbursement programs?

Yes.

How much does the City contribute to an FSA/HSA for wellness?

The maximum the City will contribute to the FSA/HSA is \$700, \$100 each for employee and/or spouse/domestic partner for Health Risk Assessment completion, and a maximum of \$500 to employees for participation in the VirginHealth Miles program.

If I complete a Health Risk Assessment at an open enrollment fair or online at myuhc.com before the end of the year, when will I receive the \$100 contribution to my FSA/HSA?

In January 2013

## Tobacco User Fee

How much is the Tobacco User Fee?

It is a \$40 monthly fee.



Who is considered a tobacco user?

Anyone who has used a tobacco product within 60 days prior to self-reporting his or her tobacco use status. Tobacco products include, but are not limited to: cigarettes, cigars, pipes, all forms of smokeless tobacco (chewing tobacco, snuff, dip, or any other product that contains tobacco), clove cigarettes or any other smoking devices that use tobacco such as hookahs. E-cigarettes, which contain nicotine, are also included in the definition of a tobacco product.

What happens if you are a tobacco user and you state that you are not?

If it is discovered that you are a tobacco user when you indicated that you are not, you could be subject to discipline for misrepresentation on City documents.

Is there a tobacco fee for dependents?

There is not a tobacco fee for spouses and/or dependents at this time.

Do you have to complete a tobacco cessation program in order to show proof that you are no longer a tobacco user?

No, you do not have to go through a tobacco cessation program in order to prove you are no longer a tobacco user; however, you do need to provide some type of documentation. This could be accomplished with a note from your primary care physician.